

REFLECTIONS ON HEALTH CARE

OREGON STATE BOARD OF MEDICAL EXAMINERS

OREGON FOUNDATION FOR MEDICAL EXCELLENCE

(ALSO WITH CITY CLUB OF PORTLAND)

NOON

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SPEECH BY

C. EVERETT KOOP, MD

DR. JOHNSON

GREETINGS TO ~~HOSTS~~, CONGRESSMAN WIDEN,  
GUESTS, ETC. - DELEGATED TO BE PART OF THE  
100<sup>th</sup> ANNIVERSARY OF THE OREGON ST. BOARD OF  
MEDICAL EXAMINERS

NOT TOO LONG AGO, A LUNCHEON TALK ABOUT HEALTH  
CARE IN AMERICA WOULD HAVE BEEN A PLEASANT  
DESSERT, SOMETHING TO MAKE US FEEL GOOD ABOUT OUR  
SELVES AND OUR HEALTH CARE SYSTEM. NOT TODAY.

**IN A WORD, --WE HAVE BIG PROBLEMS. SOMETIMES I  
USED TO WONDER IF THERE SHOULD NOT HAVE BEEN  
ANOTHER SURGEON GENERAL'S WARNING:**

**"WARNING! THE AMERICAN HEALTH CARE SYSTEM CAN BE  
HAZARDOUS TO YOUR HEALTH!**

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TO BEGIN WITH, THIS IS A TIME IN WHICH WE HAVE VERY HIGH EXPECTATIONS FOR MEDICINE AND HEALTH. WE'VE PUT A GREAT DEAL OF FAITH INTO NEW TECHNOLOGIES, NEW PHARMACEUTICALS, NEW SURGICAL PROCEDURES, AND SO ON, AND WE CONTINUE TO HAVE FAITH IN THE MAGIC OF MEDICINE.

WE ROUTINELY EXPECT MIRACLES TO HAPPEN -- EVEN THOUGH THE REAL WORLD OF MEDICINE ISN'T ALWAYS ABLE TO DELIVER.

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**WE HAVE THAT SITUATION RIGHT NOW WITH AIDS. FOR THE PAST 8 YEARS, SCIENTISTS AND CLINICIANS HAVE BEEN WORKING AROUND-THE-CLOCK TO UNDERSTAND AND CONQUER THE DISEASE OF AIDS. BUT IT STILL REMAINS A MYSTERY. I'M SORRY TO SAY THIS, BUT I DOUBT THAT WE'LL GET FULL CONTROL OVER THE AIDS VIRUS BEFORE THE TURN OF THE CENTURY.**

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**BUT, AS FAR AS THE GENERAL PUBLIC IS CONCERNED, THE AIDS SITUATION IS THE EXCEPTION AND NOT THE RULE. THE AMERICAN PEOPLE STILL MAINTAIN HIGH HOPES FOR WHAT MEDICINE AND HEALTH CARE CAN DO FOR THEM.**

**BUT I THINK IT'S ALSO BECOMING CLEAR THAT THOSE HIGH EXPECTATIONS ARE FAST OUT-RUNNING OUR ABILITY TO PAY FOR THEM.**

IN OTHER WORDS, WE HAVE A CLEAR GAP IN OUR SOCIETY TODAY BETWEEN WHAT WE WOULD LIKE TO SEE HAPPEN IN HEALTH CARE ... AND WHAT CAN REALISTICALLY HAPPEN IN HEALTH CARE. AND SO THE AMERICAN PEOPLE ARE ENGAGED IN A DEBATE IN RESPECT TO ASPIRATIONS VERSUS RESOURCES.

THIS IS A DEBATE THAT TOUCHES ON MANY ASPECTS OF AMERICAN LIFE... BUT I'LL FOCUS JUST ON HEALTH CARE, WHICH IS PROFOUNDLY AFFECTED BY THAT GROWING TENSION BETWEEN ASPIRATIONS AND RESOURCES. MANY OF OUR GREAT EXPECTATIONS COME FROM OUR ABIDING FAITH IN EVER-IMPROVING MEDICAL TECHNOLOGY. BUT NOW, I BELIEVE THE PUBLIC WONDERS IF MEDICAL TECHNOLOGY MIGHT BE A MIXED BLESSING.



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THANKS TO AN EXPLOSION OF NEW KNOWLEDGE IN SCIENCE  
AND TECHNOLOGY OVER THE PAST SEVERAL DECADES, WE  
KNOW HOW TO DO MANY NEW AND FASCINATING THINGS:  
BUT KNOWING HOW TO DO SOMETHING HAS NEVER BEEN  
ENOUGH.

PEOPLE ALSO WANT TO KNOW WHY ... OR WHY NOT?  
AND TODAY, AS THE COST OF OUR MAGIC TECHNOLOGY  
SOARS,  
WE'RE ASKING "WHY?" MORE OFTEN AND MORE  
INSISTENTLY.

IN REGARDS TO PROLONGING LIFE, FOR EXAMPLE, BOTH THE LAY PUBLIC AND THE MEDICAL PROFESSION ARE EVEN NOW DEBATING THE WISDOM OF USING SO-CALLED "EXTRAORDINARY" MEASURES TO SAVE OR PROLONG THE LIVES OF PERSONS PROFOUNDLY TRAUMATIZED OR TERMINALLY ILL. FOR MANY PEOPLE WHO MUST DECIDE THE FATE OF LOVED ONES, HIGH-TECH MEDICINE SOMETIMES ACTS LIKE A FRIEND ... AND SOMETIMES IT ACTS LIKE AN ENEMY.

HENCE, SOME PEOPLE ARE TURNING TO LEGAL INSTRUMENTS LIKE THE SO-CALLED "LIVING WILL" AND THE "DURABLE POWER OF ATTORNEY" TO PROTECT THEMSELVES FROM RUNAWAY MEDICAL TECHNOLOGY, IN THE EVENT THEY ONE DAY HAVE A TERMINAL ILLNESS OR CONDITION. HENCE, IN MANY REAL-LIFE SITUATIONS, TECHNOLOGY IS A MIXED BLESSING ... AT BEST ... AND CAN BE A CURSE, AT THE WORST.

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**IS OUR SOCIETY STILL READY AND WILLING TO DELIVER  
HIGH-QUALITY, TECHNOLOGY-INTENSIVE MEDICAL CARE  
TO EVERYONE, REGARDLESS OF COST? I'D HAVE TO SAY  
THAT SOCIETY'S ANSWER IS APPROACHING A  
"PROBABLY NOT."**

**OR, PERHAPS, THE MOST SOPHISTICATED MEDICAL  
TECHNOLOGY IS OFTEN SIMPLY IRRELEVANT. ACCORDING  
TO ONE SURVEY OF PHYSICIANS, THE LARGEST CATEGORY  
OF PATIENT COMPLAINTS INVOLVED**

**"CONDITIONS WITHOUT ILLNESS." IN OTHER WORDS, THE  
AVERAGE PRACTICE -- NOT JUST AMONG FAMILY  
PHYSICIANS BUT ALSO AMONG MANY SPECIALISTS --  
HAS A SIGNIFICANT NUMBER OF PATIENTS WHO ARE IN  
RELATIVELY GOOD PHYSICAL AND MENTAL HEALTH, BUT  
DON'T BELIEVE IT ...**

AND WHAT THEY WANT FROM THEIR PHYSICIAN IS SOME  
DISPLAY OF REASSURANCE, UNDERSTANDING, SOLACE, OR  
SYMPATHY ... SOME DEMONSTRATION OF WHAT  
SHAKESPEARE CALLED THE "MILK OF HUMANKINDNESS."

WHAT WE HAVE, THEN, IS A RISE IN THE NEW  
TECHNOLOGIES AVAILABLE TO PHYSICIANS ...

BUT, AT THE SAME TIME, A DECLINE IN THEIR  
SIGNIFICANCE FOR A SUBSTANTIAL NUMBER OF  
PATIENTS.

BUT WE DIDN'T SEE IT ... OR, IF WE DID SEE IT, WE  
PREFERRED NOT TO WORRY ABOUT IT. TODAY, WE STILL  
HAVE AN INFLATED HEALTH CARE ECONOMY ... BUT WE  
ALSO HAVE INFLATED HEALTH CARE ASPIRATIONS. AND  
WE SIMPLY CAN'T AFFORD ANY INFLATION AT ALL.

WHEN I OR OTHER PEOPLE TALK LIKE THIS, OUR CRITICS COME BACK AT US AND SAY THAT THINGS REALLY AREN'T THAT BAD ... THAT ALL WE NEED TO DO IS PUT A REIMBURSEMENT CAP ON THIS ... OR CHANGE THE ELIGIBILITY REGULATIONS FOR THAT ... OR CUT BACK A LITTLE HERE ... OR PRUNE BACK A LITTLE THERE DURING 8 YEARS AS YOUR SURGEON GENERAL, I LISTENED TO THESE DEBATES AND I'VE THOUGHT ABOUT THE TRUE HUMAN COSTS ASSOCIATED WITH THAT KIND OF A PATCHWORK APPROACH.



AND TODAY I'M MORE CONVINCED THAN EVER THAT OUR WHOLE HEALTH CARE SYSTEM NEEDS TO BE STUDIED WITH AN EYE TO MAKING A NUMBER OF VERY MAJOR CORRECTIONS. NOW, I CAN ALREADY HEAR THE CRITICS SAYING, "WAIT A MINUTE, DR. KOOP. THE SYSTEM AIN'T BROKE, SO DON'T FIX IT."

TO WHICH I WOULD REPLY, "YOU'RE WRONG. THE SYSTEM IS BROKEN ... AND IT MUST BE FIXED." BAND-AIDS WON'T DO.

**HOSPITAL COSTS ARE STILL CLIMBING ... AND NO ONE CAN PROVE TO THE AMERICAN PEOPLE THAT THE QUALITY OF HOSPITAL-BASED CARE IS UNIFORMLY GOING UP AS WELL. ON THE CONTRARY, OUR PEOPLE COMPLAIN THAT THEY ARE PAYING MORE AND MORE FOR MEDICAL CARE, AND ARE GETTING LESS AND LESS.**

**WORSE STILL, AS THE COST OF HOSPITAL-BASED CARE INCREASES, THE HOSPITALS THEMSELVES ARE TRYING TO NARROW THEIR PATIENT POOL ... FOR EXAMPLE, ELIMINATING THE NEED TO PROVIDE IN-PATIENT MEDICAL CARE FOR POOR AND DISADVANTAGED AMERICANS. I SAY THERE'S SOMETHING TERRIBLY WRONG WITH A SYSTEM OF HEALTH CARE THAT SPENDS MORE AND MORE MONEY TO SERVE FEWER AND FEWER PEOPLE.**

AND WE HAVE MUCH THE SAME PROBLEM IN RESPECT TO PHYSICIAN SERVICES AND FEES. I CAN TELL YOU THAT MANY OF MY FRIENDS AND COLLEAGUES IN MEDICAL PRACTICE ARE TRYING TO DO WHAT THEY CAN TO INCREASE THE QUALITY OF CARE THEY DELIVER WITHOUT INCREASING THEIR COSTS.

BUT THEY ARGUE THAT THEY HAVE LITTLE OR NO CONTROL OVER SOME OF THE INFLATIONARY THINGS THEY DO.

**AND THAT'S TRUE. I'VE BEEN THERE -- SO IT'S NOT JUST  
GIVING THEM THE BENEFIT OF THE DOUBT.**

BUT THE FACT STILL REMAINS THAT PHYSICIAN FEES ARE GOING UP, AND THEY DO ADD TO A BURDEN ON THE PUBLIC THAT IS BECOMING INSUPPORTABLE. AND, AGAIN -- AS WITH HOSPITAL-BASED CARE -- THE AMERICAN PEOPLE HAVE NOT BEEN ASSURED, IN ANY RATIONAL AND MEASURABLE WAY, THAT THE HIGHER COSTS OF A PHYSICIAN'S CARE WILL IN FACT BUY THEM A PROPORTIONATELY HIGHER QUALITY OF SUCH CARE.

WHETHER SPEAKING OF DOCTORS OR HOSPITALS, - IT IS NOT A MATTER OF MORALITY - IT IS SURVIVAL - EVERYBODY IS "DOING IT" - WHATEVER "IT" YOU FOCUS ON. THE REALITY IS THAT DOCTORS AND HOSPITALS CANNOT NOT DO IT OR THEY FAIL TO SURVIVE.

THE GREAT TRUTH IS THAT THE HEALTH SYSTEM WILL NEVER REVAMP ITSELF. THE CHANGE HAS TO COME FROM THE ENVIRONMENT - AND THAT'S YOU.

~~WE SIMPLY DON'T KNOW. WE DON'T YET HAVE THE TOOLS  
OR THE MECHANISMS TO MAKE THOSE KINDS OF  
NECESSARY, MARKETPLACE JUDGMENTS. BUT, BEFORE I GO  
ANY FURTHER, LET ME SAY THAT IN GENERAL I SUPPORT  
THE CONCEPT OF A LAISSEZ-FAIRE MARKETPLACE AND I  
BELIEVE IN A FREELY COMPETITIVE ECONOMY.~~

I THINK A LAISSEZ-FAIRE ECONOMY WORKS BEST FOR ALL OUR CITIZENS AND I'M THRILLED -- AS I'M SURE ALL AMERICANS ARE THRILLED -- TO SEE SO MANY COUNTRIES WITH STATE-CONTROLLED ECONOMIES COMING AROUND TO OUR POINT OF VIEW. NOW, HAVING SAID THAT, LET ME GO ON TO SAY THAT THE HEALTH CARE MARKETPLACE IS LAISSEZ-FAIRE ...



BUT IT'S NOT FREELY COMPETITIVE AND, HENCE, IT HAS VIRTUALLY NO MODERATING CONTROLS WORKING ON BEHALF OF THE CONSUMER, OR THE PATIENT. IN MOST OTHER AREAS OF OUR ECONOMY, THE MARKETPLACE DOES EXERCISE SOME CONTROL OVER ARBITRARY RISES IN CHARGES TO THE CONSUMER. THERE REALLY IS COMPETITION.

HERE AND THERE IT MIGHT BE RATHER THIN ... BUT IT DOES EXIST AND IT DOES PROVIDE SOME ASSURANCE THAT INEFFECTIVE, UNCOMPETITIVE, HIGH-COST, LOW-QUALITY ENTERPRISES WILL FAIL|BUT IN HEALTH CARE, RIGHT ACROSS THE BOARD, PRICES HAVE GONE UP IRRESPECTIVE OF THE QUALITY OF CARE BEING DELIVERED OR OF ANY OTHER MARKETPLACE CONTROL.

TRY AS THEY MIGHT, I DON'T SEE THE MEDICAL  
PROFESSION ACHIEVING MUCH SUCCESS IN SELF-

REGULATION. | GRANTED, IT'S NO SIMPLE TASK. BUT AS

I SAID A MOMENT AGO - UNTIL THE

PURCHASING PUBLIC - "BUYS RIGHT" -

AS WALTER MCCURE PUTS IT - THE

MARKET CANNOT CHANGE

PHYSICIANS CAN HELP PUT THE BRAKES ON SOME GENERAL EXPENDITURES, BUT THERE ARE VERY FEW PHYSICIANS WHO CAN HONESTLY AND EFFECTIVELY CONTROL THE DELIVERY OF SERVICE -- MUCH LESS CONTROL THE COSTS OF THAT SERVICE -- WHILE CARING FOR A SPECIFIC, INDIVIDUAL PATIENT AT THE BEDSIDE. WE SEEM TO HAVE, THEREFORE, A SYSTEM OF HEALTH CARE THAT'S DISTINGUISHED BY A VIRTUAL ABSENCE OF SELF-REGULATION ON THE PART OF THE PROVIDERS OF THAT HEALTH CARE -- THAT IS, HOSPITALS AND PHYSICIANS -- AND DISTINGUISHED AS WELL BY THE ABSENCE OF SUCH NATURAL MARKETPLACE CONTROLS AS COMPETITION IN REGARD TO PRICE, QUALITY, OR SERVICE. WHAT IS THE EFFECT OF SUCH A SYSTEM ANYWAY?

ONE VERY SERIOUS EFFECT HAS BEEN THE EMERGENCE OF A THREE-TIER FRAMEWORK OF HEALTH CARE.

WE'VE ALWAYS SAID WE NEVER WANTED EVEN A TWO-TIER SYSTEM.

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BUT WE HAVE IT ... AND A THIRD TIER, ALSO/IN THE FIRST  
TIER ... THE BOTTOM TIER ... ARE UPWARDS OF PERHAPS 30  
MILLION AMERICANS -- ABOUT 12 PERCENT OF THE  
POPULATION -- WHO FALL BETWEEN THE CRACKS AND  
HAVE NO HEALTH INSURANCE COVERAGE ... NO HIGH  
OPTIONS ... NO LOW OPTIONS ... NO OPTIONS AT ALL.

THEY'RE NOT OLD ENOUGH FOR MEDICARE AND NOT POOR ENOUGH FOR MEDICAID. WHAT, THEN, DOES THIS "HEALTH CARE SYSTEM" OF OURS DO FOR THE UNINSURED?

IN THE VAST MAJORITY OF CASES THE ANSWER IS ... VERY LITTLE ... OR NOTHING. AND THEY ARE SUFFERING THE CONSEQUENCES.

STUDY AFTER STUDY INDICATES THE CORRELATION BETWEEN NO MEDICAL INSURANCE AND INCREASING HEALTH PROBLEMS.

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THE HEALTH PROBLEMS OF THE LOWEST TIER, IF IGNORED BY SOCIETY NOW, WILL BE BORNE BY SOCIETY LATER/THEN WE HAVE A SECOND TIER.

THIS TIER RECEIVES A NARROW RANGE OF BASIC MEDICAL AND HEALTH SERVICES WITH MORE OR LESS FIXED LEVELS OF REIMBURSEMENT.

**THIS IS LOW-OPTION COVERAGE ... MEDICARE AND  
MEDICAID COVERAGE ... WITH THE PATIENT PAYING MANY  
COSTS OUT-OF-POCKET OR WITH THE HELP OF SOME FORM  
OF SUPPLEMENTAL INSURANCE, WHICH IS -- IN MY BOOK  
-- JUST ANOTHER KIND OF OUT-OF-POCKET EXPENSE.  
FINALLY, WE HAVE THE THIRD TIER, THE TOP TIER.**



THE PEOPLE IN THIS TIER RECEIVE A FULL RANGE OF MEDICAL AND HEALTH SERVICES. THEY ARE COVERED BY HIGH-OPTION HEALTH INSURANCE AND ALSO HAVE A FEW DOLLARS LEFT OVER TO PAY THE 15 OR 20 PERCENT DIFFERENCE BETWEEN THE ACTUAL BILL FROM THE DOCTOR AND THE CHECK FROM THE INSURANCE COMPANY. MANY OF OUR LARGEST BUSINESS AND INDUSTRIAL ORGANIZATIONS ARE IN THIS TOP TIER.

YEARS OF TOUGH COLLECTIVE BARGAINING MADE IT POSSIBLE FOR MILLIONS OF THEIR UNIONIZED EMPLOYEES AND THEIR FAMILIES TO BE IN THAT TOP THIRD TIER.

**BUT NOW IT'S NO SECRET THAT HEALTH CARE INFLATION HAS BECOME THE MAJOR STICKING-POINT IN THEIR COLLECTIVE BARGAINING, ALSO. BUT HOW DOES THE BARGAINING END?**

**THAT'S EASY: MORE MONEY IS PROMISED FOR EMPLOYEE HEALTH BENEFITS ... AND THE INCREASED HEALTH COSTS TRANSLATE INTO HIGHER PRICES FOR THE CUSTOMER OR THE UTILITY RATE-PAYER.**

IN OTHER WORDS, EMPLOYEE HEALTH PLANS HAVE REALLY BECOME "PASS-ALONG" MECHANISMS THROUGH WHICH DOLLARS, ARE PASSED ALONG AND INTO THE HEALTH CARE SYSTEM. IT'S BEEN WORKING THAT WAY FOR THE PAST 20 YEARS OR SO.

BUT I DON'T THINK AMERICANS CAN KEEP FEEDING THE HEALTH CARE SYSTEM QUITE THAT WAY ANY MORE. WE'VE GOT TO MAKE SOME CHANGES.

AND BUSINESS ITSELF IS FINALLY COMING AROUND TO UNDERSTAND THIS. IT CANNOT CONTINUE TO BURY INFLATED COSTS OF HEALTH CARE IN THE PRICE-TAGS OF THEIR GOODS AND SERVICES. SINCE 1984 THE AVERAGE PREMIUMS FOR EMPLOYER-PROVIDED HEALTH INSURANCE HAVE APPROXIMATELY DOUBLED... TO \$3,117 PER YEAR, AND HAVE RISEN FROM 8 PERCENT OF BUSINESS PAYROLL COSTS TO 13.6 PERCENT THIS YEAR.

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**BUSINESSES CAN'T ABSORB THESE COSTS AND ALSO EXPECT TO BE COMPETITIVE/AMERICAN BUSINESSMEN AND LABOR LEADERS ARE FINALLY COMING TO UNDERSTAND WHAT THIS MEANS. THERE IS A "HEALTH BENEFITS SURCHARGE, IF YOU WILL, ON EVERY CAR THAT GENERAL MOTORS MANUFACTURES IN THIS COUNTRY. IT AMOUNTS TO ABOUT \$600 PER CAR. IN CONTRAST, CARS MADE AT THE NEW NISSAN PLANT IN TENNESSEE , THE "HEALTH BENEFITS SURCHARGE" IS ONLY SIXTY DOLLARS PER CAR. THE GENERAL MOTORS HEALTH PLAN IS A GENEROUS ONE, AND IT COVERS RETIRED EMPLOYEES AS WELL AS ACTIVE WORKERS. NISSAN, ON THE OTHER HAND, OFFERS A LIMITED PLAN THAT DOES NOT EVEN PROVIDE MATERNITY BENEFITS OR PEDIATRIC CARE FOR ITS ACTIVE EMPLOYEES.**

**BUT, WHILE ECONOMIC PRESSURES MAKE BUSINESS CONSIDER CUTTING BACK ON THE HEALTH-CARE BENEFITS THEY PROVIDE, SOCIAL PRESSURE COMPELS PROVIDING EVEN MORE. WE HAVE SEEN CURRENT LABOR DISPUTES FOCUS ON HEALTH BENEFIT PACKAGES, NOT WAGES OR HOURS.**

**I'M REMINDED, FOR EXAMPLE, OF THE RECENT REPORT OF THE "NATIONAL COMMISSION TO PREVENT INFANT MORTALITY."**

AMONG OTHER THINGS, THE COMMISSION RECOMMENDED THAT THE AMERICAN PEOPLE MUST ... "PROVIDE UNIVERSAL ACCESS TO EARLY MATERNITY AND PEDIATRIC CARE FOR ALL MOTHERS AND INFANTS/"IN OTHER WORDS, LET'S GET RID OF ANY AND ALL BARRIERS TO HEALTH CARE FOR EACH AND EVERY MOTHER AND CHILD IN AMERICA.

OF ALL INDUSTRIALIZED NATIONS, ONLY THE UNITED STATES DOES NOT GUARANTEE ACCESS TO BASIC HEALTH CARE|BUT THIS RECOMMENDATION AMPLIFIES THE CONCEPT OF "ACCESS" IN A NEW AND VERY IMPORTANT WAY. IT SAYS THAT ... "EMPLOYERS MUST MAKE AVAILABLE HEALTH INSURANCE COVERAGE THAT INCLUDES MATERNITY AND WELL-BABY CARE."

THE COMMISSION WAS EVENLY BALANCED WITH PHYSICIANS AND NON-PHYSICIANS ... REPUBLICANS AND DEMOCRATS ... FEDERAL AND STATE OFFICIALS ... AND SO ON. HARDLY A RADICAL BUNCH BY ANYONE'S STANDARD —



**STANDARD. YET, THE MEMBERS CAME OUT FOR A MUCH  
GREATER ROLE FOR PRIVATE EMPLOYERS.**

**WHY DID THEY DO THAT?**

BECAUSE TODAY, OF THE MORE THAN 56 MILLION AMERICAN WOMEN OF CHILD-BEARING AGE, ROUGHLY 16 TO 44, ALMOST 28 MILLION OF THEM ARE EMPLOYED FULL-TIME IN THE AMERICAN WORK-FORCE. THAT'S 50 PERCENT OF ALL WOMEN IN THAT CRUCIAL CHILD-BEARING AGE GROUP.

IN ADDITION, WELL OVER HALF OF ALL MOTHERS OF SMALL CHILDREN -- KIDS THREE YEARS OLD OR YOUNGER -- ARE WORKING FULL-TIME.

ON A DAY-TO-DAY BASIS, IT IS NOW CLEARLY THE MANagements OF BUSINESS AND INDUSTRY WHO EXERCISE THE MOST CRITICAL INFLUENCE UPON THE HEALTH OF AMERICA'S MOTHERS AND CHILDREN. THE HEALTH CARE SYSTEM IN AMERICA TODAY IS A TERRIBLE MORAL BURDEN FOR SOCIETY TO BEAR, IN THAT THE SYSTEM DOES NOT RESPOND AT ALL TO SOME 12 TO AS HIGH AS 15 PERCENT OF OUR POPULATION.

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AND IT IS A TERRIBLE ECONOMIC BURDEN FOR SOCIETY TO  
BEAR, IN THAT THE SYSTEM SATISFIES ITS OWN  
UNCONTROLLED NEEDS AT THE EXPENSE OF EVERY OTHER  
SECTOR OF AMERICAN SOCIETY. WE NEED TO CHANGE THAT  
SYSTEM.

NOT JUST A LITTLE CHANGE HERE AND A LITTLE CHANGE  
THERE.

WE NEED TO BRING ABOUT A PROFOUND CHANGE, ACROSS-  
THE-BOARD, IN THE WAY WE MAKE MEDICAL AND HEALTH  
CARE AVAILABLE TO ALL OUR CITIZENS.

BUT CAN WE DO IT? I'D LIKE TO THINK WE CAN ...  
BECAUSE WE HAVE TO ... AND ESPECIALLY BECAUSE  
WE'VE DONE IT BEFORE.

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SOME 50 YEARS AGO, FOR EXAMPLE, WE AMERICANS KNEW THAT IT WAS MORALLY WRONG FOR OUR SOCIETY TO ALLOW ITS OLD PEOPLE TO DRIFT INTO POVERTY AND STARVATION. WE KNEW THAT WE COULD NO LONGER STAND BY HELPLESS IN THE FACE OF SUCH HUMAN MISERY/AND SO WE ENACTED A SOCIAL SECURITY LAW TO MAKE SURE THAT EVERY AMERICAN WOULD BE ASSURED OF A MEASURE OF HUMAN DIGNITY AND RESPECT IN HIS OR HER TWILIGHT YEARS. IT WAS AN ACT OF FUNDAMENTAL DECENCY. WE KNEW WE HAD TO DO IT. AND WE DID IT.

WE MET A SIMILAR CHALLENGE MORE RECENTLY THAN THAT.

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BACK IN THE 1950S AND EARLY 1960S, THE PEOPLE OF  
THIS COUNTRY BECAME PAINFULLY AWARE OF THE  
TERRIBLE UNFAIRNESS OF "SEPARATE BUT EQUAL"  
EDUCATION. AND SO, THROUGH OUR COURTS AND OUR  
LEGISLATURES, WE RELEASED AMERICA FROM THE  
CRUSHING OFFICIAL, LEGAL BURDEN OF SEGREGATED  
SCHOOLS. THAT'S OVER. AND THANK GOODNESS IT IS.

**DID WE GET RID OF THOSE BURDENS ONCE AND FOR ALL?  
WELL, NOT EXACTLY. \*WE HAVEN'T YET SOLVED EVERY  
PROBLEM ASSOCIATED WITH "GROWING OLD IN AMERICA."  
WE KNOW THAT.**

**\* AND WE HAVEN'T YET PRODUCED THE PERFECT,  
EGALITARIAN SCHOOL SYSTEM. WE KNOW THAT,  
TOO.**



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**BUT AT LEAST WE'VE LIFTED FROM THE SHOULDERS OF  
OUR PEOPLE A LARGE MEASURE OF THE BURDEN OF SHAME  
AND GUILT THAT CAME WITH DOING NOTHING. WE DID  
WHAT WAS MORALLY RIGHT FOR THIS COUNTRY. AND I  
BELIEVE WE CAN -- AND MUST -- DO THAT AGAIN.**

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**LET'S FINALLY SAY WHAT WE'VE HESITATED TO SAY FOR  
TOO MANY YEARS, AND THAT IS ... OUR CURRENT SYSTEM  
OF HEALTH CARE IS NOT FAIR ... IT'S NOT JUST ... AND,  
THEREFORE, IT IS NOT THE MORALLY STRONG SYSTEM THAT  
OUR SOCIETY NEEDS --AND DESERVES/WE ARE AT A  
CROSSROADS. WE CANNOT AFFORD TO DO NOTHING,  
TO CONTINUE BUSINESS AS USUAL.**

**THE PRESSURE FOR RADICAL CHANGE IS COMING FROM  
ALL DIRECTIONS:**

**FROM MEMBERS OF CONGRESS, FROM BUSINESS, FROM  
LABOR, AND FROM THE GENERAL PUBLIC.**

INCREASINGLY WE HEAR THE DEMAND FOR  
RESTRUCTURING THE FINANCING AND DELIVERY OF  
HEALTHCARE IN THE UNITED STATES. EVEN SOME BUSINESS  
LEADERS WHO NORMALLY CRINGE AT THE THOUGHT OF  
GOVERNMENT INTERVENTION OR REGULATION FIND  
THEMSELVES CALLING FOR A SYSTEM OF NATIONAL  
HEALTH CARE AS A SOLUTION TO RISING INSURANCE  
COSTS.

NOW I JUST BET YOU THINK IM HERE  
PLUMPING FOR ANOTHER GOVERNMENTAL  
ENTITLEMENT. IM NOT.

BUT IF WE DONT OFFER SOMETHING BETTER,  
WE WILL GET A GOVT CONTROLLED  
MEDICAL SYSTEM AND LOSE FOREVER  
THE PRESENT POTENTIAL FOR THE  
BEST SYSTEM POSSIBLE.

THERE ARE 3 ALTERNATIVES - USUALLY  
ONLY 2 ARE MENTIONED - (1) PRESENT  
SYSTEM 5 UNIVERSAL COVERAGE AND (2)  
(2) UNIVERSAL COVERAGE WITH GOVERNMENTAL

**RECENTLY I'VE NOTICED A STRANGE INTEREST IN THE  
CANADIAN SYSTEM.EVERYWHERE I GO PEOPLE SAY TO ME,  
"WE NEED THE CANADIAN SYSTEM." SO I SAY, "TELL ME,  
WHAT IS IT YOU LIKE ABOUT THE CANADIAN SYSTEM.?"**

THEY ALWAYS ANSWER, "I DON'T REALLY KNOW, BUT IT'S A GOOD SYSTEM." THE GROWING INFATUATION WITH FOREIGN NATIONAL HEALTH SERVICES IS BASED MORE UPON DISSATISFACTION WITH OUR SYSTEM THAN UPON UNDERSTANDING OF ANOTHER ONE.

MOST AMERICANS DO NOT REALIZE THAT A NATIONAL HEALTH SERVICE, LIKE THE ONE IN THE UNITED KINGDOM, IS BASED UPON PLANNED SCARCITY.

EXPERIENCE THE WORLD OVER (HA)  
 SITOWN THAT WHEN GOVT <sup>ECONOMIC</sup> CONTROLS ARE  
 APPLIED TO HEALTH THEY PROVE -  
 IN TIME - TO BE DETRIMENTAL, EVENTUALLY

THERE IS EROSION OF  
 QUALITY  
 PRODUCTIVITY  
 INNOVATION  
 CREATIVITY

GIVEN LACK OF RESPONSIVENESS TO  
 PATIENTS (THE CANADIAN SYSTEM IS NOT  
 CONTROLLED BY PHYSICIANS) - FINALLY  
 RATIONING AND WAITING LINES

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**AMERICANS DO NOT PATIENTLY QUE UP FOR ANYTHING,  
ESPECIALLY FOR MEDICAL CARE/WE HAVE BECOME  
ACCUSTOMED TO AVAILABLE CARE, IF NOT ACCESSIBLE  
CARE.**

**AND WE DESIRE PERSONAL CARE.**

NOW, IT MAY NOT BE POSSIBLE TO HAVE THE SAME PERSONAL RELATIONSHIP BETWEEN DOCTORS AND PATIENTS THAT OUR GRANDPARENTS HAD. TODAY, URBAN PEOPLE, ESPECIALLY, RELY UPON EMERGENCY ROOM CARE AND GROUP PRACTICES, AND THE EFFICIENCY THEY BRING HAVE COME AT THE COST OF THAT PERSONAL RELATIONSHIP.

**BUT, WE CAN DO A LOT TO RESTORE THE DOCTOR-PATIENT  
RELATIONSHIP, A RELATIONSHIP THAT IS  
UNFORTUNATELY BECOMING CHANGED TO A PROVIDER-  
CONSUMER RELATIONSHIP.I REALIZE THAT THERE ARE  
SOME BUILT-IN PROBLEMS. PEOPLE AREN'T HAPPY  
ABOUT BEING ILL, NEEDING TO GO TO A PHYSICIAN.  
HAVING TO PAY A HIGH PRICE FOR IT MAKES IT EVEN  
MORE UNPLEASANT.**



**BUT WE NEED TO SUBORDINATE THE ECONOMIC ASPECT OF THE RELATIONSHIP TO THE CLIMATE OF TRUST BETWEEN THE DOCTOR AND THE PATIENT. IF THE PATIENT THINKS OF HIMSELF PRIMARILY AS A CONSUMER, GETTING THE MOST FOR HIS MONEY, HE AUTOMATICALLY PUTS THE DOCTOR IN THE ROLE OF THE SELLER, GETTING THE MOST FOR HIS SERVICES.**

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**IF THE DOCTOR IS PRIMARILY CONCERNED ABOUT  
COLLECTING HIS FEE, HE AUTOMATICALLY AROUSES THE  
CONSUMER MENTALITY IN HIS PATIENT.WE ALSO NEED TO  
REFORM THE MALPRACTICE MESS, THE TORTURED TORT  
SYSTEM THAT FORCES DOCTORS AND PATIENTS TO VIEW  
EACH OTHER AS LEGAL ADVERSARIES.**

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**WE NEED TO GET PAST THE STAND-OFF BETWEEN DOCTORS  
AND LAWYERS. PERHAPS A COMMITTED GROUP OF  
RETIRED LAWYERS AND DOCTORS,**

**MEN AND WOMEN WITHOUT A DIRECT PERSONAL ECONOMIC  
STAKE IN THE SYSTEM, COULD PERFORM THE PUBLIC  
SERVICE OF ADJUDICATING CLAIMS, DECIDING WHICH  
CASES SHOULD GO TO COURT.I'M SURE THAT BOTH THE  
DOCTOR AND THE PATIENT WOULD PREFER TO HAVE THAT  
OLD RELATIONSHIP OF TRUST THEY USED TO HAVE.**

**IT CAN BE RESTORED.**

BUT IT WILL TAKE COMMITMENT BY PEOPLE ON BOTH SIDES  
OF THE STETHOSCOPE. LET ME TELL YOU HOW I THINK THAT  
CHANGE SHOULD TAKE PLACE:

WE NEED A PRESIDENTIAL COMMISSION -- THE BLUEST OF  
BLUE RIBBON PANELS TO CONSIDER THE FUTURE OF  
HEALTH CARE IN AMERICA.

THE FALLACY OF ECONOMIC CONTROLS IS  
THAT YOU ATTEMPT TO FORCE CHANGE -- AND  
REORGANIZATION AGAINST THE WILL OF  
THOSE PROVIDING HEALTH CARE -- IT IS  
NOT IN THEIR OWN INTEREST, AS THEY  
SEE IT, BECAUSE THE MORE INEFFICIENT  
THAT PROVIDER, THE MORE REVENUE  
REGARDLESS OF HEALTH PRODUCED

THERE IS A BETTER WAY -- AND IT  
PREVENTS FURTHER INTRUSION BY THE  
GOVERNMENT INTO THE DELIVERY OF  
HEALTH CARE

I STRESS, AGAIN, WHAT I MEAN BY WORKING MEMBERS -  
-CONGRESSMEN AND SENATORS THEMSELVES, NOT THEIR  
STAFF APPOINTEES. I BELIEVE THAT THE PROFESSIONS,  
BUSINESS, AND INDUSTRY SHOULD JOIN IN AN HONEST,  
SINCERE EFFORT TO MAKE SURE THAT EVERY MAN,  
WOMAN, AND CHILD IN AMERICA HAS AVAILABLE A  
BASIC ARRAY OF HEALTH AND MEDICAL SERVICE.

TO INSURE THE "BUY RIGHT" OUTCOME  
OF SUCH DELIBERATIONS - WE NEED  
A POTENT, LARGE CONSTITUENCY.

YOU COULD AND SHOULD BE PART

OF IT. YOU CORPORATE LEADERS -

→ PURCHASERS OF HEALTH PLANS MUST  
~~GET TOGETHER~~ - CHOOSE HEALTH COVERAGE

THAT REWARDS QUALITY AND

PRODUCTIVITY. THE SAVINGS WILL

PAY FOR THE COST OF THOSE PRESENTLY

WITHOUT ACCESS - BUT THERE IS

NO QUICK FIX - FROM HERE TO THERE COULD

TAKE A DECADE - BUT WE'D IMPROVE ALL ALONG THE WAY

5:  
AND EVENTUALLY

~~BUT~~ <sup>^</sup> EVERY AMERICAN SHOULD BE ABLE TO EXPECT AND TO RECEIVE ADEQUATE HEALTH SERVICE ANYWHERE IN THIS COUNTRY. PUTTING TOGETHER SUCH A MORALLY STRONG AND FAIR SYSTEM OF HEALTH CARE WILL BE A MAJOR TASK FOR THIS COUNTRY.

I HAVE NO ILLUSIONS ABOUT THAT.

BUT WE MUST NOT LET SUCH CONSIDERATIONS STOP US FROM DOING WHAT WE KNOW IS RIGHT.

THANK YOU

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**THAT WE HAVE ONE TIER OF HEALTH CARE IN AMERICA TO  
WHICH EVERYONE IS ENTITLED.SOME PEOPLE WILL WANT  
MORE SERVICE AND WILL PAY FOR IT.  
AND THAT SHOULD BE THEIR PRIVILEGE.**



ON THAT COMMISSION WE NEED THE HEALTH PROFESSIONS.  
YOU MAY THINK I'VE BEEN HARD ON THEM IN THESE  
REMARKS TODAY,  
BUT I KNOW THEIR LEADERS AND I KNOW THAT THEIR  
SENSE OF FAIRNESS AND JUSTICE IS NOT ONE OUNCE LESS  
THAN MINE.

WHAT I'M ASKING FOR TODAY IS WHAT THEY WANT,  
ALSO,

5 -  
**AND I BELIEVE THEY, TOO, WOULD JOIN IN A TRULY JUST  
EFFORT TO IMPROVE THE SYSTEM OF HEALTH CARE  
DELIVERY IN THIS COUNTRY/WE NEED STATESMEN -- AND  
THERE ARE A FEW LEFT.**

**WE NEED THE INSURANCE INDUSTRY, BECAUSE ITS PEOPLE  
ARE KNOWLEDGEABLE -- AND THREATENED.**

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WE NEED -- MOST OF ALL -- WORKING MEMBERS ON THAT  
PANEL FROM BOTH PARTIES AND BOTH HOUSES OF  
CONGRESS. ...MEMBERS OF CONGRESS WHO WILL DEVELOP  
A PROPRIETARY INTEREST IN THE PANEL'S CONCLUSIONS  
AND TAKE THEM TO THE FLOORS OF THE HOUSE AND THE  
SENATE, FOR DEBATE AND PASSAGE OF LEGISLATION TO  
MAKE SURE SOMETHING GETS DONE.

AND AS IVE SAID - THAT DOESNT  
MEAN GOVT. ECONOMIC CONTROL